



PSC NEWS

Missouri Public Service Commission

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FY-06-150

FOR IMMEDIATE RELEASE

FEBRUARY 3, 2006

PSC STAFF FILES COMPLAINT AGAINST LACLEDE GAS COMPANY OVER ESTIMATED BILLING PRACTICES

JEFFERSON CITY—The Staff of the Missouri Public Service Commission has filed a complaint against Laclede Gas Company alleging the company has violated Commission rules regarding estimating customer natural gas bills. In addition, Staff alleges Laclede violated state law by permitting natural gas to flow into a building under unknown conditions. The PSC Staff has asked the Commission for authority to go to circuit court to seek penalties against Laclede.

Under Commission rules, if a utility is unable to obtain an actual meter reading for three consecutive billing periods, the utility is to advise the customer by first class mail or personal delivery that the bills being rendered are estimated, that the estimation may not reflect the actual usage and that the customer may read and report gas usage to the utility on a regular basis. In addition, rules require the utility to attempt to secure an actual meter reading at least annually.

The PSC Staff alleges, "Laclede has failed to provide in a timely manner the required notification that estimated bills may not reflect actual usage and that the customer may read and report usage on a regular basis. Laclede has also failed to attempt to secure an actual reading at least annually".

In addition to seeking penalties against Laclede, the Staff complaint seeks a Commission order requiring Laclede to:

- Provide any customer, whose bill is based on estimated usage more than twice in any 12 month period, a separate written notice that the bills have been estimated;
- Investigate and correct within 45 days the problems causing the need to estimate the bill;
- Immediately read meters and render bills for any customer it has not billed in 35 days;
- Report to the PSC Staff all bills rendered in 2005 that were based on actual reads where prior estimated readings have resulted in adjustments greater than 5%;
- At the time of rebilling, and even without contact from the customer, automatically provide any customer whose "catch-up" amount exceeds \$60 at least six months or the same number of months that were involved in the "catch-up", whichever is greater, to pay the catch-up bill; and
- Begin the "catch-up" period only when a letter to the customer clearly and unequivocally advises the customer that their bill has been estimated, and that a recalculation will follow.

The PSC Consumer Services Department has received approximately 500 complaints regarding Laclede's estimated billing. Customers who believe they have received an incorrect bill should contact Laclede. If that contact does not result in a satisfactory conclusion, customers should contact the PSC's Consumer Services Department at 1-800-392-4211.

Laclede Gas Company serves approximately 631,000 natural gas customers in the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois and Ste. Genevieve.